

House Bill 390  
Business & Labor Committee Hearing  
January 29, 2007  
Montana State Capital - Room 172

EXHIBIT 4  
DATE 1-29-07  
HB 390

Chairman Mendenhall: I thank you and your fellow representatives for the opportunity to address this hearing this morning. My name is Robert Alfred and I am a constituent from Great Falls House District 19 of which Vice Chair Mike Milburn is my representative. Before I state my reasons for opposing this bill I would like to ask the committee two questions for clarification.

First, it is my understanding that HB 390 provides for a new form of parimutuel wagering and is therefore an expansion of current gambling forms available in the state of Montana. Is that correct?

Second, can anyone here tell me what the additional social and economic impacts will be on our communities if this bill is passed? Specifically, how much money will be lost that would have been spent on other things such as food, clothing and shelter? How many problems will be created for spouses, children and the rest of society by any further infusion of gambling into our communities?

I will not, but I could, go on for hours about the damage gambling does to our society. I am sure I would be met with comments about how people have the right to choose and nobody sticks a gun to anybody's head. I especially love it when they compare it to other social issues such as alcohol. There have been books written throughout history that show the infusions of gambling on societies and their ultimate impacts. Currently we seem to be in one of the largest impacts ever and it is worldwide. You need only to search the web for a few nano seconds to find more information than you will ever need.

But the reason I am here this morning and against any further expansion of gambling in our state is not based solely on the matters I have mentioned but are instead based on several clear facts of law. Each of you took an oath of office stating you would, and I quote, "support, protect and defend the constitution of the United States, and the constitution of the state of Montana, and that you would discharge the duties of your office with fidelity". The word fidelity carries with it several clear responsibilities, including; a strict observance of promises and duties: loyalty; adherence to fact or detail; accuracy and exactness; A direct result of your oath is your responsibility to uphold the laws passed by this legislature with fidelity as well.

In Montana Code Annotated, 23-5-110, part (1) it states: and I quote, "The legislature finds that for the purpose of ensuring the proper gambling environment in this state it is necessary and desirable to adopt a public policy regarding public gambling activities in

Montana. The legislature therefore declares it necessary to:" and I again quote in section (e) of part (1): "protect the health, safety, and welfare of all citizens of this state, including those who do not gamble by regulating gambling activities;

Before passing any law such as the one you are about to consider you must first take into consideration such impacts. Not just on those who participate but on those who do not. The Montana Gambling Study done in 1998 stated in chapter 6, page 21, there were an estimated 23,400 problem gamblers in the state at that time. Of these, the American Psychiatric Association and numerous other studies show as many as 75% of these will consider suicide, around 50% plan their suicide and between 20 and 30 percent will actually attempt suicide. In speaking with professional counselors and looking at numerous studies done on this subject it is clear that no less than 8 to 10 other people will be directly affected by the actions of problem gamblers. That means as many as 234,000 Montana citizens will be directly impacted.

It is clear from these numbers that all of us, except the few who benefit greatly from gambling revenues, pay dearly for increased social cost. These include such things as crimes of embezzlement, burglary, fraud and domestic abuse. Increased crimes means increased judiciary, penal and law enforcement expenses. Domestic issues also include medical costs, counseling expenses and welfare. When you add to this the impact broken families have on future generations the real numbers are staggering.

Sure, there are issues such as drinking that create a few similar impacts. For this reason we have laws at work to try and deter drunk drivers, courts that often hold those who take advantage of these people liable for their lack of vigilance and our department of Health and Human Services will provide assistance for those who are victims of this problem. But gambling is considerably different.

Scientific studies show addiction to gambling is very similar to addictions such as methanphetamines and pornography. Some of the differences between drinking and gambling addictions include: There is no test for it, you cannot smell it on their breath, and (depending on how many free drinks they've had) they do not stumble as bad. Because it is such an easy addiction to hide very few realize what is happening to them until it is too late and the impacts are often much worse. The first indications are usually changes in behavior due to time spent gambling and financial issues that become more and more evident. One of the worst impacts of problem gambling is suicide. Of all addictive behavior suicides are higher among problem gamblers than any other form of addiction and suicides among spouses of problem gamblers is also much higher than normal. According to the APA, as many as 7020 of the 23,400 problem gamblers in 1998 will attempt suicide. I wonder how many already have? Like many problems with addictive behaviors these often go undetected and are known only to those immediately impacted such as family or employers.

This brings me to my next point. In subsection (f) of 23-5-11 part (1) stated above it goes on to say that the legislature is to, and again I quote: "promote programs necessary to provide assistance to those who are adversely affected by legalized gambling, including compulsive gamblers and their families".

On January 28, 2005, I spoke before the Health Services committee in support of House Bill 358. This Bill would have provided for the certification of problem gambling counselors and would have defined the terms, "Pathological Gambling" and "Problem Gambling". Due to some personal contacts made with several professional agencies just prior to that hearing, I testified these agencies were unable to gain assistance for treating problem gambling unless there was first an issue of alcohol or other drug addiction involved. The committee at that time seemed quite confused by the fact that no services were being directly provided by the state for problem gambling until a member of the Health and Human Services Department clarified the issue. She stated there were no services provided for problem gambling because the legislature had never defined them as a matter of law nor had they provided any funding for such services. The department of HHS and most professional psychiatric services and licensed counselors use at their directive what is called the DSM-IV. The addiction of gambling has been defined in the DSM-IV for many years and was first recognized as an addiction in 1981. Since that time substantial scientific research has been done to reconfirm this fact.

In May of 2005, I spent 2 days in the legislative library researching the history of this issue. I discovered that in every legislative session since 1985, except one, bills had been introduced that would have required such things as counseling, education and even the tracking of gambling related crimes. Every bill was either tabled or died in committee. Gambling interest sometimes state that gambling has not caused an increase in domestic problems and crime using the state as their source. In one report used at a hearing in May of 2005 in Great Falls regarding a liquor license transfer there were 0 statistics shown on a state report regarding gambling crimes. Like problem gambling, gambling crimes are not defined in our laws and there is no requirement to keep such statistics. I cannot help but wonder how much effort that would take and why such a bill to do so would be tabled.

In MCA 23-5-110, Section (3) it states: and again I quote, "Revenue to fund the expense of administration and control of gambling as regulated by parts 1 through 8 of this chapter must be derived solely from fees, taxes, and penalties on gambling activities, except the gambling activities of the Montana state lottery and the parimutuel industry."

Some of you may wonder what all this has to do with a little bill about adding another form of wagering to our current system. It has everything to do with it. This is not a matter of my opinion or prejudice but of law. MCA 23-5-110 makes it very clearly what

- your responsibilities under law are and where your fidelity must lie. The fact that for 18 years this responsibility has been evaded for whatever reasons can no longer be ignored. Until the current matters of law are properly enforced it would be a violation of your oath to further expand the problems until you address their impact and solutions.

There is before this house, at this time, House Bill 54, introduced by Sue Dickenson. In my opinion, it is way too little, way too late. 28,000 might be better than nothing to provide some education about gambling but that would barely pay the wages of someone competent enough to implement. The revenues from gambling are around 50 million dollars a year. I believe several million dollars should be designated to provide these programs and more in the future if necessary. Thousands of people have already been impacted by the past legislatures lack of fidelity. I would ask you to not only pass well funded bills to provide education about gambling but programs of assistance for those affected, past, present and future.

I implore you to not only deny this bill but any and all bills that would further the expansion of gambling in this state until these matters of law are accomplished and future impacts can be studied and made public. It is your sworn duty to do so.

Signed:

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